

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 6336-01
Bill No.: Truly Agreed To and Finally Passed HB 2077
Subject: Taxation and Revenue - General; Treasurer, State
Type: Original
Date: June 16, 2014

Bill Summary: This proposal creates the Surplus Revenue Fund.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
General Revenue	\$0	\$0 or (Up to \$215,000,000)	\$0
Total Estimated Net Effect on General Revenue Fund*	\$0	\$0 or (Up to \$215,000,000)	\$0

* Depending on increased revenue over the baseline amount.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Surplus Revenue Fund	\$0	\$0 or Up to \$215,000,000	\$0
Total Estimated Net Effect on <u>Other</u> State Funds*	\$0	\$0 or Up to \$215,000,000	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☒ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Office of Administration's Division of Budget and Planning (BAP)** assume no impact to BAP from this proposal. Because General Revenue collections net of refunds will not be known until June 30, 2015; it is unknown how the dollars will be deposited into the Surplus Revenue Fund.

Officials at the **Office of State Treasurer** assume there is no fiscal impact from this proposal.

Officials from the **Missouri Senate** state this proposal would not have a fiscal impact beyond existing appropriations.

According to the Office of Administration (OA), the net general revenue collection for fiscal years 2012 and 2013 was \$7.34 billion and \$8.08 billion respectively (total of \$15.42 billion for the two year period). **Oversight** will range the fiscal impact from \$0 (the state does not receive \$16.834 billion, the baseline established in the proposal, in net general revenue collection for the FY 2014 - FY 2015 period) or up to the potential \$215,000,000 transfer to the Surplus Revenue Fund.

<u>FISCAL IMPACT - State Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
GENERAL REVENUE			
<u>Transfer-out - OA</u>		\$0 or (Up to	
Transfer to Surplus Revenue Fund	<u>\$0</u>	<u>\$215,000,000)</u>	<u>\$0</u>
ESTIMATED NET EFFECT TO THE GENERAL REVENUE FUND*	<u>\$0</u>	<u>\$0 or (Up to \$215,000,000)</u>	<u>\$0</u>
SURPLUS REVENUE FUND			
<u>Transfer-in - OA</u>	<u>\$0</u>	\$0 or Up to <u>\$215,000,000</u>	<u>\$0</u>
ESTIMATED NET EFFECT TO THE SURPLUS REVENUE FUND*	<u>\$0</u>	<u>\$0 or Up to \$215,000,000</u>	<u>\$0</u>

* Depending on increased revenue over the baseline amount.

<u>FISCAL IMPACT - Local Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

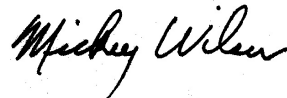
FISCAL DESCRIPTION

This bill requires up to \$215 million of General Revenue Fund moneys to be deposited into the newly created Surplus Revenue Fund if during the two-year period beginning July 1, 2013, and ending June 30, 2015, state general revenue collections net of refunds exceed \$16.834 billion. Moneys in the Surplus Revenue Fund must be subject to appropriation by the General Assembly. Refunds owed to Missouri taxpayers for the two-year period must be paid in full by June 30, 2015.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of Administration - Budget and Planning
Office of the State Treasurer
Missouri Senate



Mickey Wilson, CPA
Director
June 16, 2014

Ross Strobe
Assistant Director
June 16, 2014